



Penny Eckert/SCI/CSQ

11/09/2006 10:12 AM

To: Jennifer_Green@blm.gov
cc: Karen_Reichhardt@blm.gov,
Stephen_Fuslier@blm.gov, Jim
Nickerson/CEPM/CSQ@CSQ,
john_cassady@transcanada.com

bcc

Subject: Re: Brassica removal- milipitas wash

Jennifer,

You and I met out on the North Baja right-of-way near Ogilby on Tuesday, November 7. We discussed several points. What follows is my recollection of our agreements. Please make any corrections you think appropriate, or let me know if this is substantially correct:

The proposed equipment washing protocol was acceptable and no other wash stations would be needed on the ROW. We discussed that all equipment would be washed at a commercial truckwash before being brought on to the ROW, and that after the clearing equipment had finished in tamarisk areas, it would be loaded back up on the lowboys, trucked into Blythe, and washed again. After that, no further washing would be needed of either clearing or pipeline construction equipment or vehicles, as demonstrated by the success of the North Baja weed control last time.

There would be no need to do any other weed control measures other than those proposed in our latest CM&RP. You agreed that both brassica and schismus are widespread, and that it was reasonable to concentrate on limiting tamarisk spread, as we had done for the last construction.

You mentioned that there were a couple of new invasive weeds just recently discovered in the desert, and wanted us to be on the lookout for them. You said that you would send me descriptions and most recent known locations, and we agreed that the long-term monitoring crew could have those especially in mind. We'd also keep an eye out during preconstruction surveys for any new invasives, map them if found, and remove them if present.

You commented that you had no compaction concerns, but said you'd talk with the soils person in Yuma to see if he had been the source of the concern.

Have I left anything out for the formal record?

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v

11/08/2006 03:59 PM

To: Stephen_Fuslier@blm.gov,
Karen_Reichhardt@blm.gov
cc

Applicant

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penny.eckert@ttaci.com
Subject: Brassica removal- milipitas wash

Hi Penny,

I am still getting in touch with the CREC (oconino rural env. youth corps) to get pricing data for the brassica work at Milipitas wash. We are thinking of having an event there in December to tackle Brassica while it is still small and hasn't bolted. Could you ask North Baja if they would be willing to fund a work group this year (2006) as well? It would be about 10K.

Thank-you,
Jennifer

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Attachment C

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Jennifer_Green@blm.gov

11/16/2006 02:55 PM

To Penny.Eckert@ttaci.com

cc

bcc

Subject Re: Brassica removal- milipitas wash

Penny,

You are correct. One addition would be our conversation about North Baja Pipeline contracting a Youth Labor Corps each year to assist with a BLM weed removal in Milipitas Wash. This wash is an area of special botanical concern and assistance from NBP would be appreciated. You said you would discuss this option with your employer and add it to the list of Mitigation if they supported weed management.

thx.

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CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon all parties designated on the official service list compiled and maintained by the Secretary in these proceedings.

Dated at Washington, D.C., this 28th day of December 2006.

/s/

C. Todd Piczak

Applicant

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January 22, 2007

Ms. Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
Dockets Room, Room 1A
888 First Street, N.E.
Washington, D.C. 20426

Re: North Baja Pipeline, LLC; Docket Nos. CP06-61-000 and CP01-23-003

Dear Ms. Salas:

A2-1 North Baja encloses herein for filing an original and seven copies of its reply comments to comments on the Draft Environmental Impact Statement/Report submitted by the South Coast Air Quality Management District, Imperial County Air Pollution Control District and the Border Power Working Group. The comments of these groups contain misstatements of fact and omissions of other material information; consequently North Baja is providing its reply for the FERC's consideration in addressing these comments in the final environmental document.

If you have any questions, please contact the undersigned.

Sincerely,

/s/ Carl M. Fink

Carl M. Fink

cc:

Barry R. Wallerstein, Executive Officer, South Coast Air Quality Management District
Harvey L. Reiter, Attorney for South Coast Air Quality Management District
Stephen Birdsall, Imperial County Air Pollution Control District
Bill Powers, Border Power Plant Working Group
Eldon Heaston, Executive Officer, Mojave Desert Air Quality Management District
Imperial County APCD Board of Directors
Deborah Jordan, Air Director, Region IX EPA
Catherine Witherspoon, Executive Director, California Air Resources Board

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North Baja's reply comments to comments on the draft EIS/EIR submitted by the SCAQMD, the ICAPCD, and the Border Power Working Group (see comment letters LA16, LA8, and CO6, respectively) are noted. Table 1.1-1 has been revised to indicate that the delivery path for the natural gas transported by the proposed Project would be from the U.S.-Mexico border to El Paso Natural Gas Company and that deliveries to SoCalGas would fall within the path. The exception is the delivery path for the IID Lateral, which is shown in Table 1.1-1 as Ogilby Meter Station to El Centro Generating Station. Other points raised in these reply comments have been taken into consideration in the analysis in the EIS/EIR.

Senator Dianne Feinstein
Senator Barbara Boxer
Senator Denise Ducheny
Congressman Bob Filner
Congressman Duncan Hunter
Congressman Susan Davis
Assemblywoman Bonnie Garcia
Ralph Cordova, Imperial County Counsel
Robertta Burns, Imperial County CEO
Nancy Wrona, Air Quality Director, Arizona Department of Environmental Quality

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North Baja Pipeline, LLC
Docket Nos. CP06-61-000 and CP01-23-003

Reply Comments to ICAPCD, SCAQMD
& Border Power Plant Working Group
January 22, 2007
Page 1 of 4

**Reply Comments to ICAPCD, SCAQMD
And Border Power Plant Working Group**

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(cont'd)

North Baja Pipeline, LLC ("NBP") submits the following comments in response to those of Imperial County Air Pollution Control District ("ICAPCD"), South Coast Air Quality Management District ("SCAQMD") and Border Power Plant Working Group ("BPPWG") to correct some factual inaccuracies in their comments and to highlight some information that these parties appear to have overlooked. We hope our comments may be helpful in addressing these comments in the Final EIR/EIS.

1. The ICAPCD and the BPPWG suggest that natural gas turbines used for pipeline compressor station purposes in California would require the installation of Selective Catalytic Reduction ("SCR") for NOX reduction to achieve the required Best Available Control Technology ("BACT"). While it is true that SCR constitutes BACT for gas turbines used in electric generation, it is not true for gas turbines used in natural gas transmission. When NBP permitted the Ehrenberg Compressor Station for the original NBP pipeline in 2002, BACT for gas turbines used in compressor stations was low-NOX combustors in the turbine itself. This remains the case today. Sempra is installing low-NOX combustors in the compressor stations on the Gasoducto Bajanorte ("GB") pipeline in Mexico. These units, therefore, will be equipped with the same emission controls that would be required for compressor stations in California.
2. The ICAPCD, concerned about unspecified future power plants in the Mexicali Valley, suggests that NBP be required to place a requirement on end users to utilize BACT and provide offsets. Leaving aside the questionable legality of such a requirement, ICAPCD apparently does not understand that power plants (or any other gas users) in Mexico will not utilize the NBP pipeline to ship LNG-sourced gas. Gas consumers in the Mexicali Valley will acquire gas from the suppliers at the LNG terminal(s) on the Baja coast, who will transport that gas to the facilities in the Mexicali Valley through the Gasoducto Bajanorte pipeline. It is unnecessary and unlikely that they will contract to transport gas through the NBP pipeline as they will not need to utilize the NBP pipeline to get their gas to their facilities. A requirement such as that proposed by the ICAPCD would be meaningless if NBP has no contractual mechanism to enforce it.

To the extent gas consumers are building facilities in the United States, they are already subject to U.S. permitting requirements, which may or may not require BACT and offsets depending on the air quality status of the location of the facilities.

3. The ICAPCD suggests that the compressor stations are being located in Mexico "to avoid stringent air quality regulations and permitting requirements in the U.S." In fact, the locations are dependent on the physical/hydraulic requirements

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of operating pipelines. The pressure of gas transported through a pipeline decreases as a result of the friction between the gas and the internal wall of the pipeline. The pressure of the gas has to be boosted periodically to overcome this pressure decline. Most pipelines have compressor stations located between every 40 to 100 miles depending on the quantity of gas flowing through the pipeline, the terrain over which the pipeline runs, and the accessibility and available infrastructure (roads, water, and electricity) of the potential sites for the compressor stations. The location of the compressor stations to push gas from the LNG terminal through the GB pipeline into the NBP pipeline are based on these criteria, not on avoiding air quality regulations in the U.S. It might be useful to note as well that the original North Baja – Gasoducto Bajanorte system was designed with a single compressor station, (the Ehrenberg Compressor Station), *in the U.S.*, and none in Mexico.

4. The BPPWG suggests that one of the alternative sources for natural gas to supply southern California, other than LNG, is gas from the Rockies, which is the only basin in the U.S. that is showing significant growth in production. As discussed in greater detail below, however, the only pipeline that supplies significant amounts of gas from the Rockies to southern California is the Kern River Pipeline, and it currently is operating at close to capacity. There are no known plans for an expansion of this pipeline. In fact, all of the newly planned pipeline capacity to carry the increased production from the Rockies are pipelines that will carry gas to the east. The most significant of these is the Rockies Express, which will move an incremental 1.5 Bcf/d of the new Rockies production to the east, *away* from southern California, reducing the availability of gas for the California market.
5. The BPPWG, through a very simplistic analysis, suggests that as much as 228 tpy of NOX would be blown north into Imperial County from the compressor stations to be built by GB. BPPWG provides no new information that would refute the much more detailed analysis in the Draft EIS, which shows that “no emitted pollutants at the Mexicali or Algodones Compressor Station sites would result in a predicted concentration above an established significant impact level (SIL) at the maximally impacted receptor located in the vicinity of the U.S.-Mexico border.” (DEIS p. 4-238)
6. The SCAQMD misinterprets Table 1.1-1 to mean that 2.4 million Dth/d would feed the SoCalGas pipeline that delivers natural gas to the South Coast Air Basin. The reference in that table to SoCalGas as the termination point of the delivery path does not mean that all the gas will go to SoCalGas. At the time that the DEIS was prepared, the proposed pipeline configuration defined the delivery path as starting at the U.S./Mexico border and ending at the delivery connection with SoCalGas, with all other delivery points being “within the path” as that term is used for FERC-regulated pipelines. With the recent amendment to the NBP

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Application to make the Arrowhead Alternative the delivery point to SoCalGas, the delivery path will now be from the border to El Paso at Ehrenberg, with deliveries to SoCalGas falling within the path.

The maximum amount of LNG-sourced gas that could flow into the South Coast Air Basin is limited by the take away capacity of the SoCalGas pipeline at Blythe, which is just 1.2 Bcf/d. There are no proposals to increase the SoCalGas pipeline capacity. That maximum theoretical amount would also be reduced by the amount that SoCalGas must deliver to the Imperial Valley and to San Diego Gas and Electric Company, along with the SoCalGas customers in southern Riverside County, all of whom are fed only by the pipeline that runs from Blythe (where it will interconnect with NBP) to the South Coast Air Basin. And west of Moreno, where the SoCalGas pipeline connects with the pipeline that runs to San Diego, the capacity of the SoCalGas pipeline that continues into the greater Los Angeles metropolitan area diminishes to 850 MMcf/d. Therefore, at worst, no more than 1.2 Bcf/d of LNG-sourced gas transported on NBP will enter the South Coast Air Basin, and most likely less than 1 Bcf/d will arrive at the basin. All other LNG-sourced gas will be delivered to other air basins throughout the southwest.

Even in this "worst-case" scenario, a large percentage of the LNG-sourced gas that enters the South Coast Air Basin will be burned by sources operating under air quality permits, and it is reasonable to assume that such sources will still need to meet their current air emission requirements regardless of the Wobbe Index of the gas burned (all of which will meet State standards in any case). Therefore, SCAQMD's claims that the project would result in 2.4 million Dth/d of LNG-sourced gas being delivered to the South Coast Air Basin are vastly overstated, even in a worst-case scenario.

7. SCAQMD also mistakenly describes the purpose of the project "to deliver 'hot' gas derived from new LNG imports from Mexico into the South Coast Air Basin." This mischaracterizes the purpose of the project which is to deliver LNG-sourced gas, and to replace declining supplies from traditional sources, to California and the Southwest.
8. ICAPCD, BPPWG and SCAQMD all raise concerns about what they describe as "hot gas" and all, in one way or another, suggest that NBP be required to limit the Wobbe Index of the gas delivered over the NBP system. All are aware that NBP has conditions in its contracts with shippers that require shippers to deliver gas to NBP that meets the most stringent gas quality standards of any down stream pipeline to which the gas might be delivered. All are also aware that the California Public Utilities Commission recently set new standards for gas quality for SoCalGas, which would be the most stringent of any downstream pipeline, and that these new standards have been appealed by SCAQMD. When this issue is resolved on appeal, whatever the final resolution, those gas quality standards

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(assuming they are the most stringent) will be those that are applied to shippers on NBP. To suggest that NBP must impose even more stringent standards than those that have been set by the appropriate California regulatory body defies fairness and common sense.

9. Finally, the ICAPCD, SCAQMD and BPPWG comments all mischaracterize the purpose for the NBP project. Supplies of gas from the two traditional sources (the Permian Basin and the San Juan Basin) that serve a significant part of southern California are currently in a state of decline, or are projected to go into decline in the relatively near future. In addition, with the exception of the Rockies, all North American sources of gas are projected to be either in decline or, at best, static. Without some new source or sources of natural gas, there will be inadequate gas supplies to serve the growing needs of southern California. The impact is particularly severe on those parts of the SoCalGas system that are served primarily, if not entirely, by the pipeline that runs between Blythe and the Los Angeles metropolitan area, as these areas currently obtain *all* of their natural gas from either the Permian or the San Juan Basins. This pipeline provides the only current service to Imperial County, portions of southern Riverside County, and all of San Diego County. The environmental impacts of inadequate supplies of natural gas, requiring the burning of alternate fuels to produce electricity (power plants are the first to be curtailed and shift to alternate fuels if there are inadequate supplies of natural gas) are huge in comparison to the extremely limited impacts of "hot gas" that these parties have indicated they are concerned about. Any evaluation of the impacts of LNG-sourced gas must be made within this context.

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Washington, D.C. this 22nd day of January 2007.

/s/ C. Todd Piczak

C. Todd Piczak